

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work:  DRILL  REENTER

b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

2. Name of Operator  
WESTPORT OIL & GAS COMPANY, L.P.

3A. Address  
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)  
(435) 781-7060

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface SESW 703' FSL 1995' FWL 634044 X 39.900105  
At proposed prod. Zone 4417672Y -109.408628

14. Distance in miles and direction from nearest town or post office\*  
25.75 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
703'

16. No. of Acres in lease  
1320

17. Spacing Unit dedicated to this well  
40

18. Distance from proposed\* location to nearest well, drilling, completed, applied for, on this lease, ft.  
REFER TO TOPO C

19. Proposed Depth  
8050'

20. BLM/BIA Bond No. on file  
CO-1203

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
5688.2' GL

22. Approximate date work will start\*  
UPON APPROVAL

23. Estimated duration  
TO BE DETERMINED

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

25. Signature *Debra Domenici* Name (Printed/Typed) **DEBRA DOMENICI** Date **9/20/2005**

Title **ASSOCIATE ENVIRONMENTAL ANALYST**

Approved by (Signature) *Bradley G. Hill* Name (Printed/Typed) **BRADLEY G. HILL** Date **09-27-05**

Title **ENVIRONMENTAL SCIENTIST III**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

RECEIVED

SEP 26 2005

DIV. OF OIL, GAS & MINING

Federal Approval of this  
Action is Necessary

# T10S, R22E, S.L.B.&M.

N89°25'W - 2640.66' (G.L.O.)

N89°53'W - 2637.36' (G.L.O.)

N00°02'W - 2653.86' (G.L.O.)

N00°13'W - 2614.92' (G.L.O.)

2628.78' (G.L.O.)

500°01'23"W - 2636.04' (Meas.)

35

1991 Alum. Cap,  
Pile of Stones,  
Steel Post

NBU #1022-35N  
Elev. Ungraded Ground = 5688'

1995'  
(Comp.)

90°13'  
(G.L.O.)

507'  
N42°22'15"W  
950.57'

1991 Brass Cap,  
0.4' High, Pile  
of Stones

1991 Alum. Cap,  
Pile of Stones

1991 Brass Cap, 0.5' High, Pile of Stones  
S89°56'49"W - 2632.18' (Meas.)

S89°59'56"W - 2641.71' (Meas.)

T10S  
T11S

## WESTPORT OIL AND GAS COMPANY, L.P.

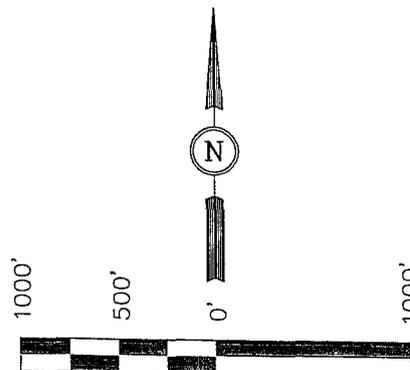
Well location, NBU #1022-35N, located as shown in the SE 1/4 SW 1/4 of Section 35, T10S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Robert J. Hay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

### LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 39°54'00.29" (39.900081)  
LONGITUDE = 109°24'33.61" (109.409336)  
(NAD 27)  
LATITUDE = 39°54'00.41" (39.900114)  
LONGITUDE = 109°24'31.16" (109.408656)

## UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 06-09-05	DATE DRAWN: 06-14-05
PARTY D.K. L.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

NBU 1022-35N  
SESW SEC 35-T10S-R22E  
UINTAH COUNTY, UTAH  
UTU-037167

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1050'
Wasatch	3880'
Mesaverde	5950'
TD	8050'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1050'
Gas	Wasatch	3880'
Gas	Mesaverde	5950'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

4. **Proposed Casing & Cementing Program:**

*Please see the Natural Buttes Unit SOP.*

5. **Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

6. **Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8050' TD, approximately equals 3220 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1449 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*





# Westport Oil and Gas Company, L.P.

## DRILLING PROGRAM

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1600	32.30	H-40	STC	0.78*****	1.98	5.61
PRODUCTION	4-1/2"	0 to 8050	11.60	M-80 or I-80	LTC	7780	6350	201000
						2.67	1.35	2.47

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.2 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

MASP 2917 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

### CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
<b>Option 1</b>	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>							
SURFACE	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
<b>Option 2</b>	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,380'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	350	60%	11.00	3.38
	TAIL	4,670'	50/50 Poz/G + 10% salt + 2% gel	1310	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

### FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

### ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER:

Brad Laney

DATE:

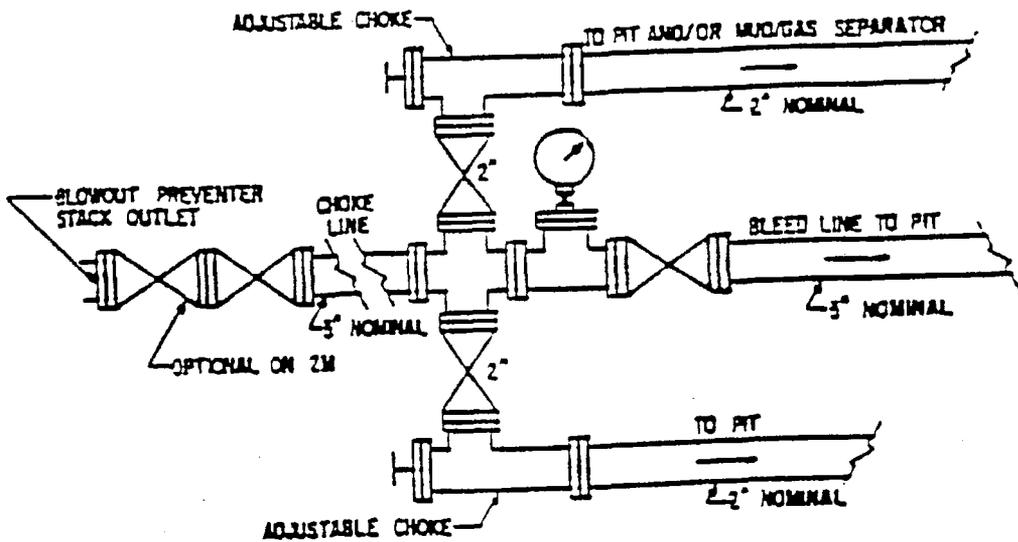
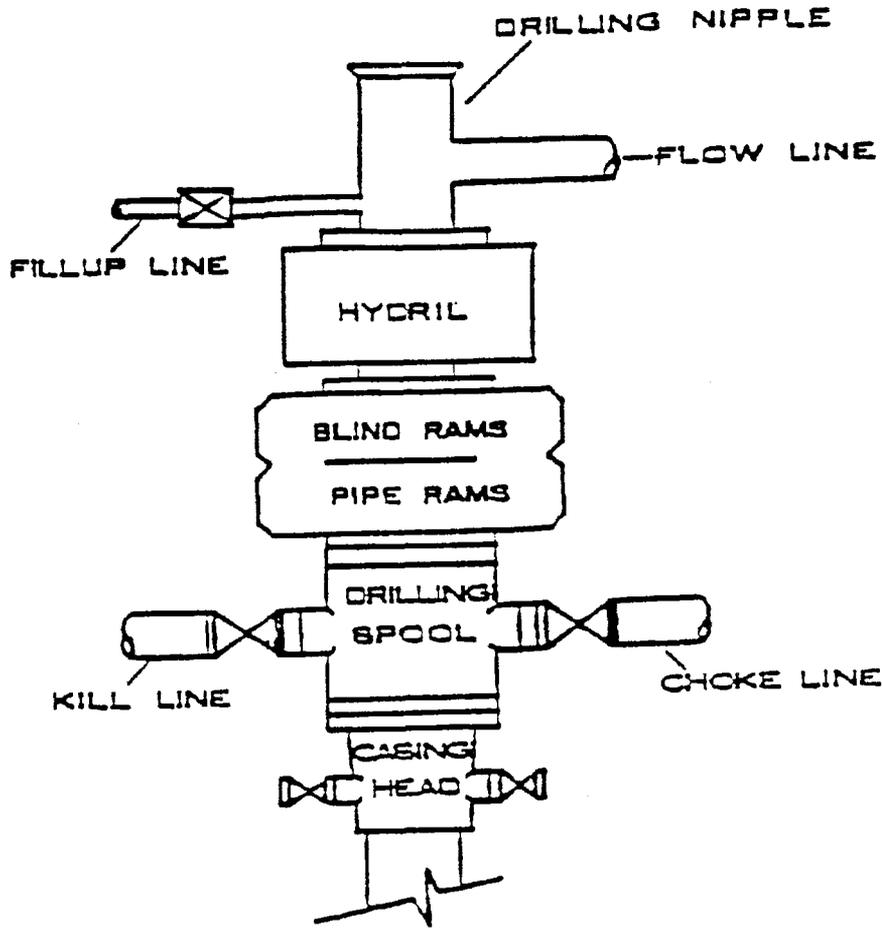
DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

3,000 PSI

# BOP STACK



NBU 1022-35N  
SESW SEC 35-T10S-R22E  
UINTAH COUNTY, UTAH  
UTU-037167

ONSHORE ORDER NO. 1

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

An onsite inspection was conducted for the NBU 1022-35N on 8/23/05, for the subject well.

1. **Existing Roads:**

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. **Planned Access Roads:**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

Approximately 0.35 miles of new access road is proposed. Refer to Topo Map B.

3. **Location of Existing Wells Within a 1-Mile Radius**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities**

*Please see the Natural Buttes Unit SOP.*

Approximately 1785' of pipeline is proposed. Refer to Topo Map D for the location of the proposed pipelines.

**Variations to Best Management Practices (BMPs) Requested:**

Approximately 1785' of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. **Location and Type of Water Supply:**

*Please see the Natural Buttes SOP.*

6. **Source of Construction Materials**

*Please see the Natural Buttes SOP.*

7. **Methods of Handling Waste Materials**

*Please see the Natural Buttes SOP.*

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities**

*Please see the Natural Buttes SOP.*

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

As per previous onsite discussion, a 20 mil reserve pit liner with felt will be used.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

*Please see the Natural Buttes SOP.*

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Crested Wheat Grass	12 lbs.
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Operator shall call the BLM for the seed mixture when final reclamation occurs.

**11. Surface Ownership:**

The well pad and access road are located on lands owned by:

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435)781-4400

**12. Other Information:**

A Class III archaeological survey and a paleontological survey have been performed and will be filed when received.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

**13. Lessee's or Operator's Representative & Certification:**

Debra Domenici  
Associate Environmental Analyst  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7060

Randy Bayne  
Drilling Manager  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7018

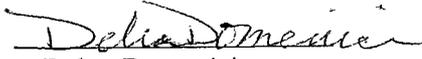
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Westport O&G Co. is considered to be the operator of the subject well. Westport O&G Co. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #CO-1203.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Debra Domenici

9/20/2005

Date

WESTPORT OIL AND GAS COMPANY, L.P.  
NBU #1022-35N  
SECTION 35, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE NBU #1022-35K TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 20' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY THEN WESTERLY DIRECTION APPROXIMATELY 0.35 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.05 MILES.

# WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-35N  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 35, T10S, R22E, S.L.B.&M.

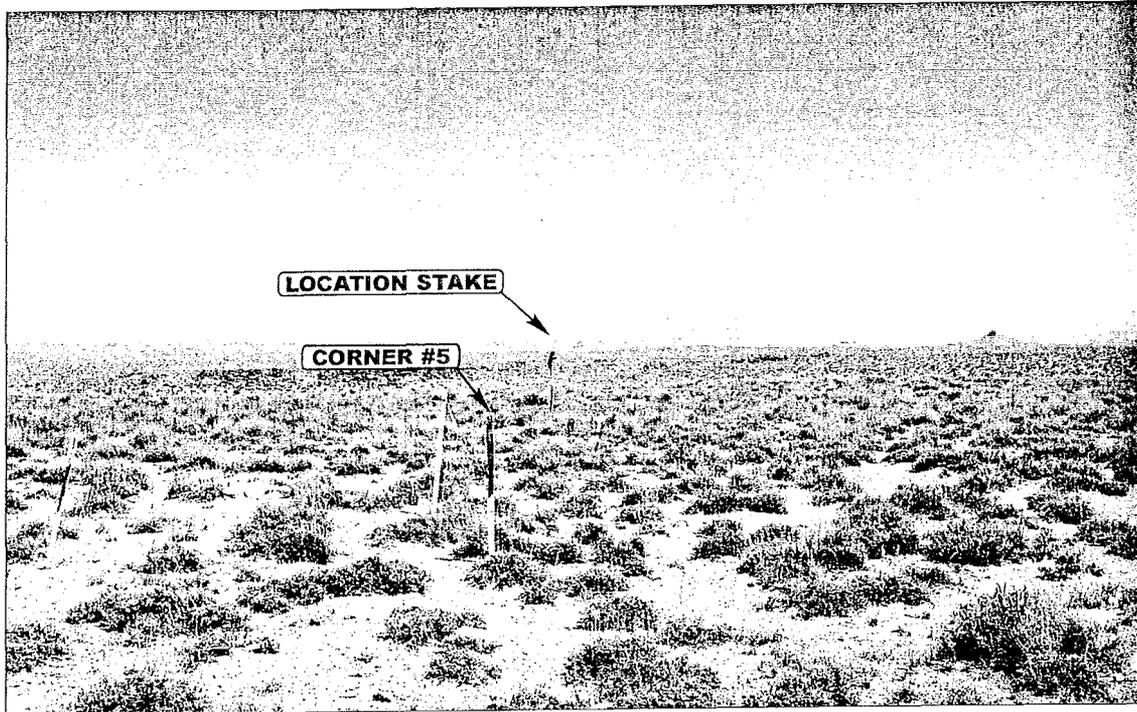


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

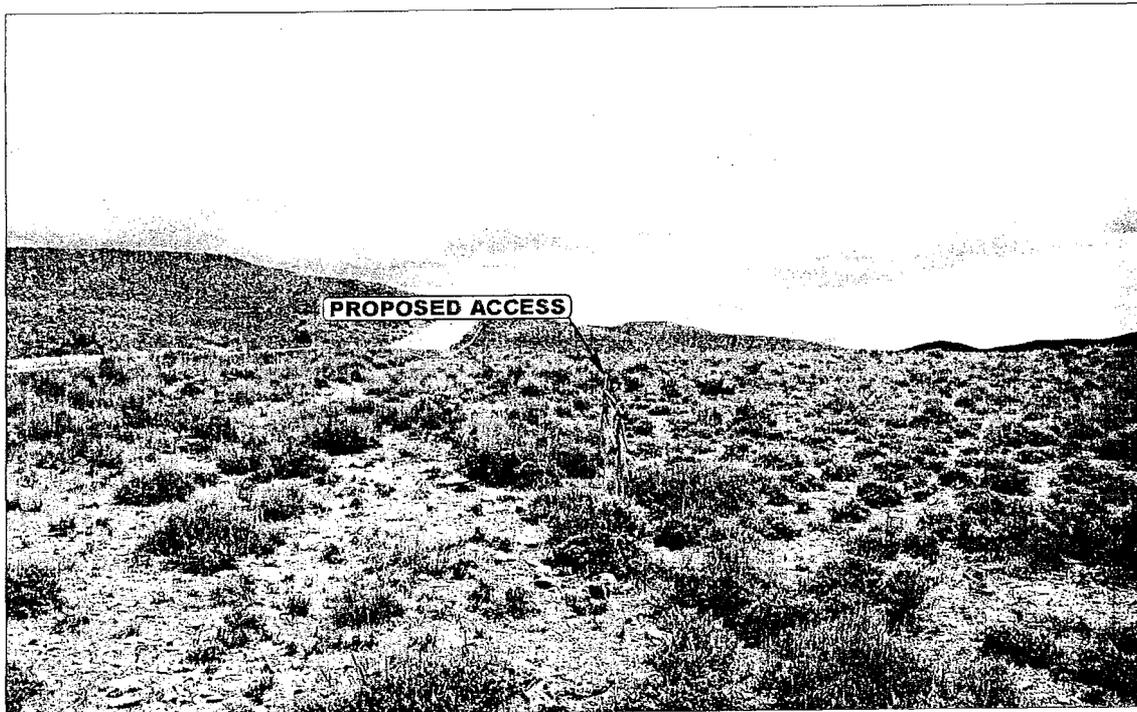


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

**E L S**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

06 | 16 | 05  
MONTH | DAY | YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.H.

REVISED: 00-00-00



**LEGEND:** **WESTPORT OIL AND GAS COMPANY, L.P.**

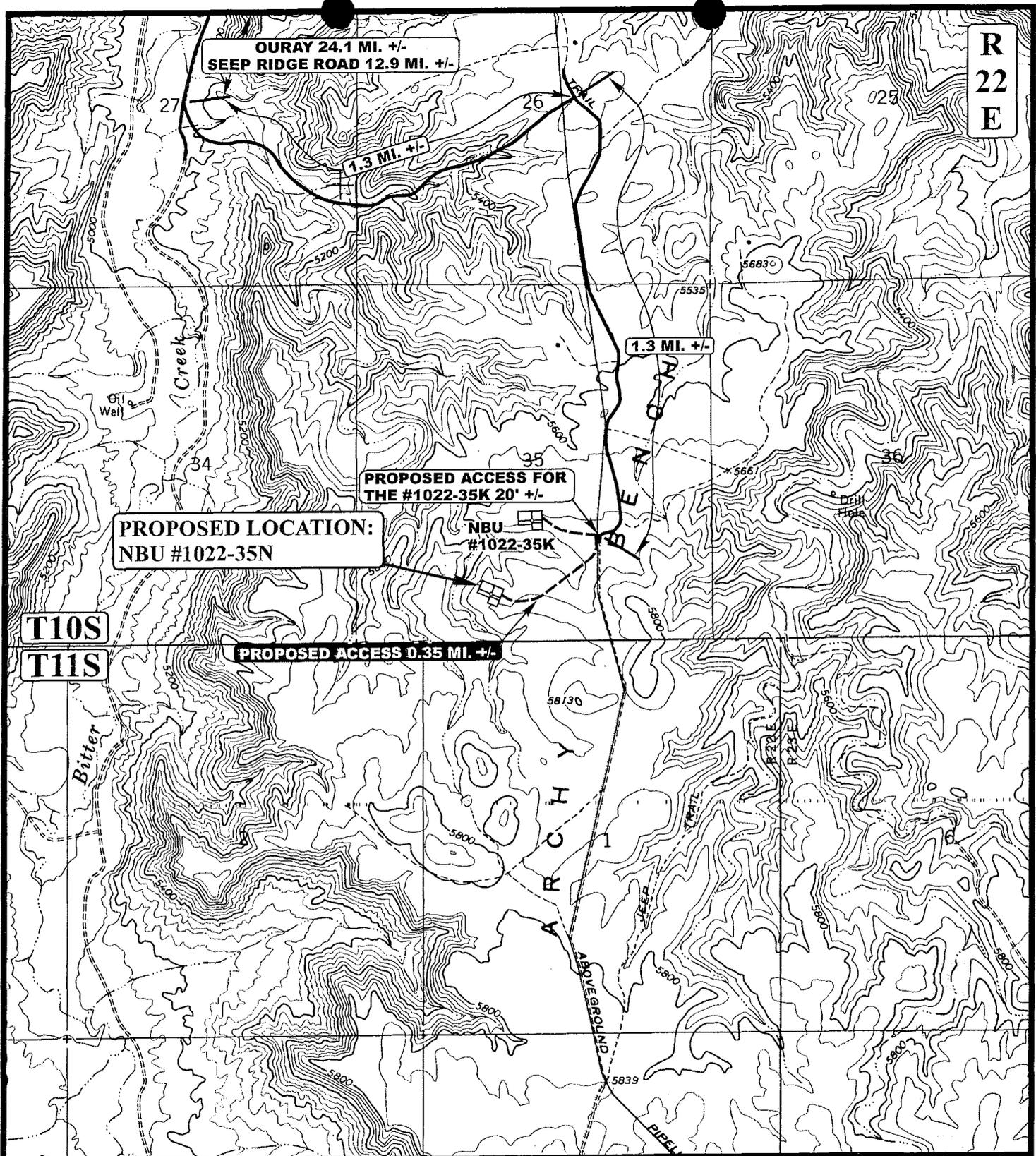
○ PROPOSED LOCATION



NBU #1022-35N  
SECTION 35, T10S, R22E, S.L.B.&M.  
703' FSL 1995' FWL

<b>ES</b>	<b>Uintah Engineering &amp; Land Surveying</b> 85 South 200 East Vernal, Utah 84078 (435) 789-1017 * FAX (435) 789-1813
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<b>TOPOGRAPHIC</b>	<b>06</b>	<b>16</b>	<b>05</b>	<b>A</b> TOPO
MAP	MONTH	DAY	YEAR	
SCALE: 1:100,000	DRAWN BY: C.H.	REVISED: 00-00-00		



**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**WESTPORT OIL AND GAS COMPANY, L.P.**

**NBU #1022-35N**  
**SECTION 35, T10S, R22E, S.L.B.&M.**  
**703' FSL 1995' FWL**



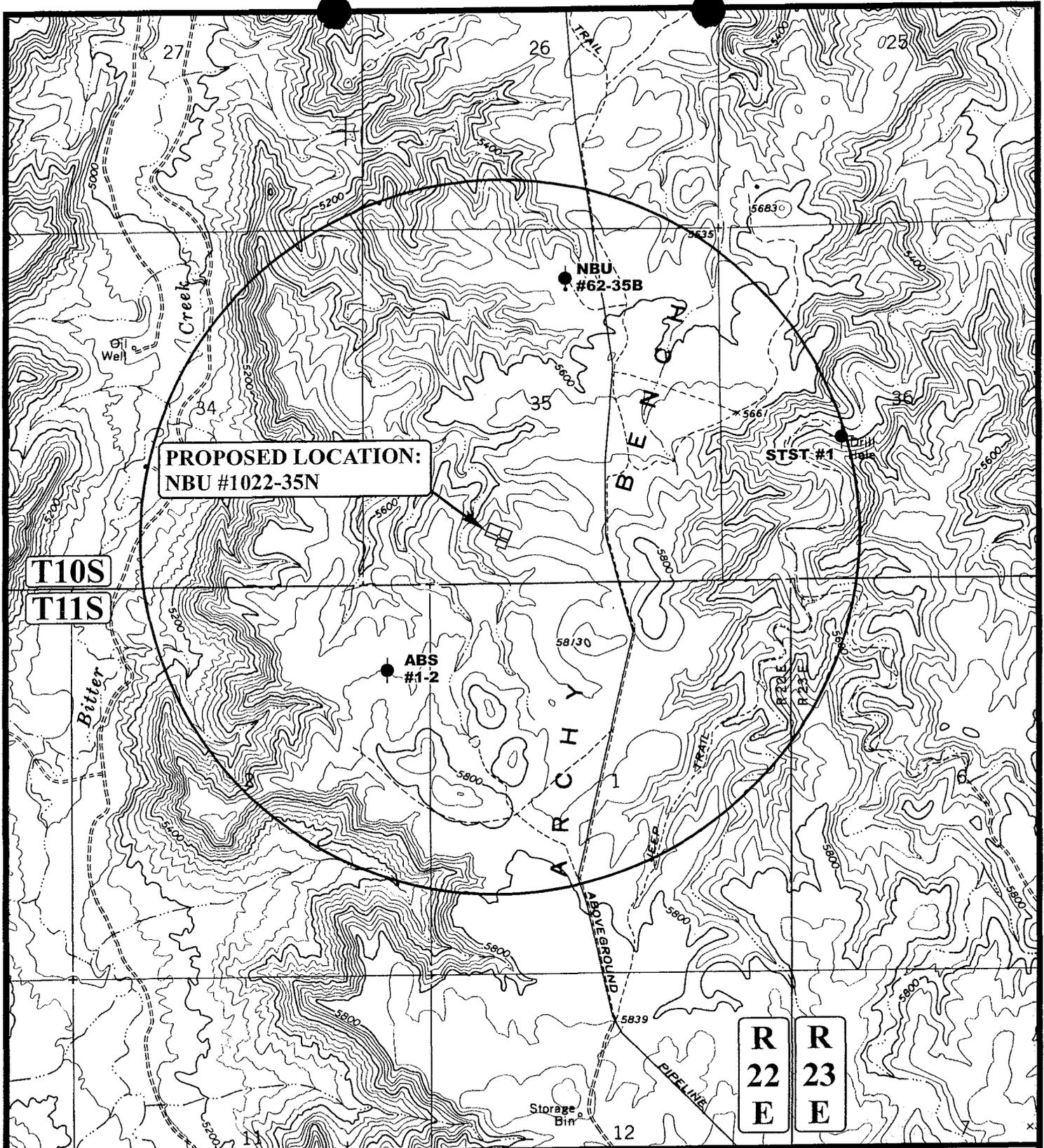
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**06 16 05**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00

**B**  
**TOPO**



**LEGEND:**

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ♂ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



**WESTPORT OIL AND GAS COMPANY, L.P.**

**NBU #1022-35N**  
**SECTION 35, T10S, R22E, S.L.B.&M.**  
**703' FSL 1995' FWL**



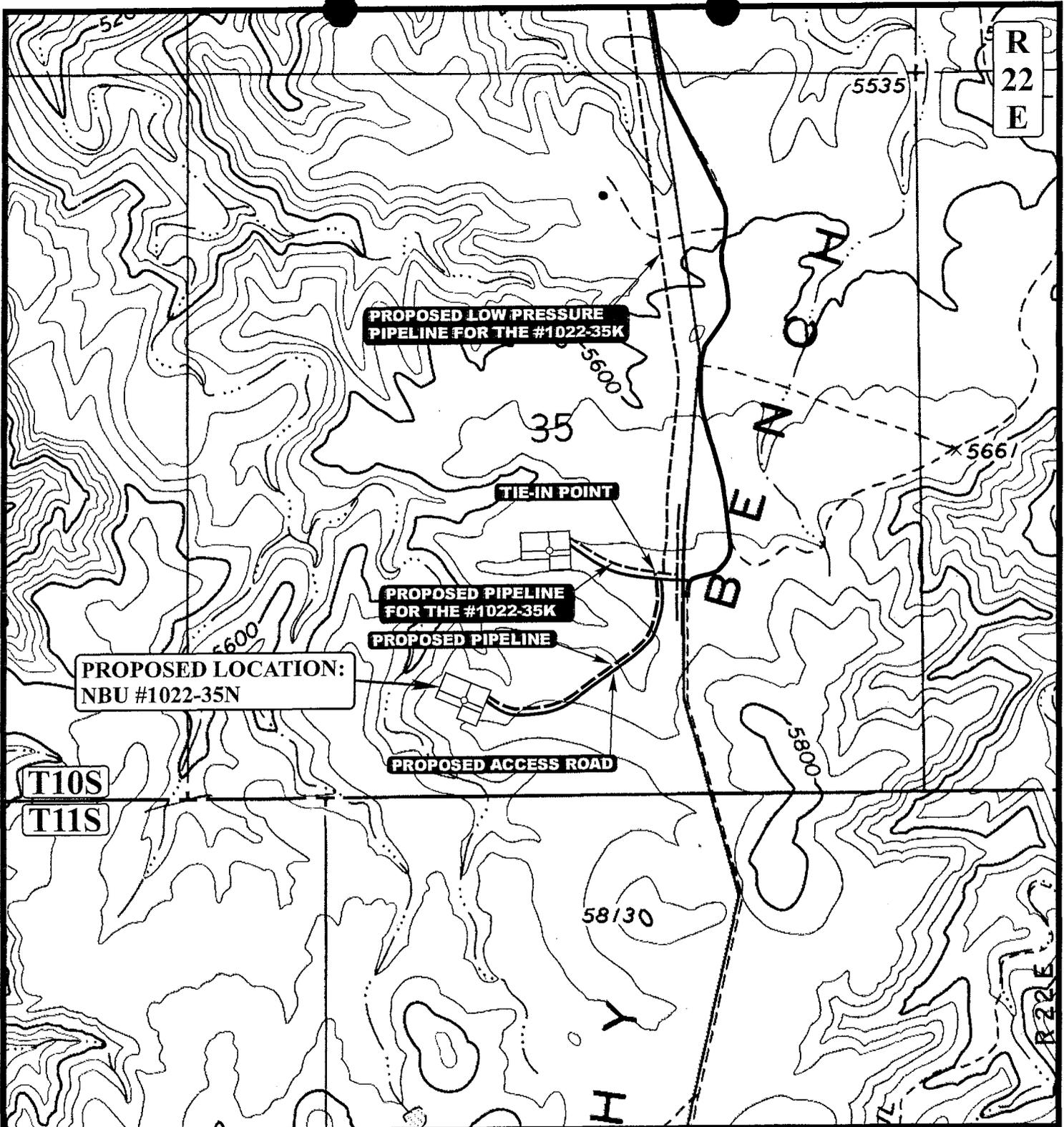
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

<b>06</b>	<b>16</b>	<b>05</b>
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1785' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



**WESTPORT OIL AND GAS COMPANY, L.P.**

**NBU #1022-35N**

**SECTION 35, T10S, R22E, S.L.B.&M.**

**703' FSL 1995' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

<b>06</b>	<b>16</b>	<b>05</b>
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REVISED: 00-00-00

**D**  
**TOPO**

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #1

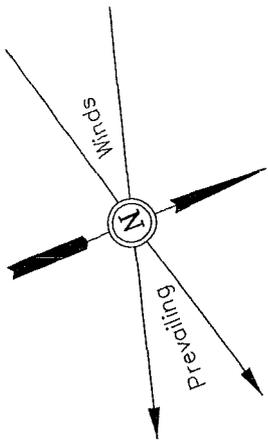
LOCATION LAYOUT FOR

NBU #1022-35N  
SECTION 35, T10S, R22E, S.L.B.&M.

C-0.2' 703' FSL 1995' FWL  
El. 87.3'

Approx. Toe of Fill Slope

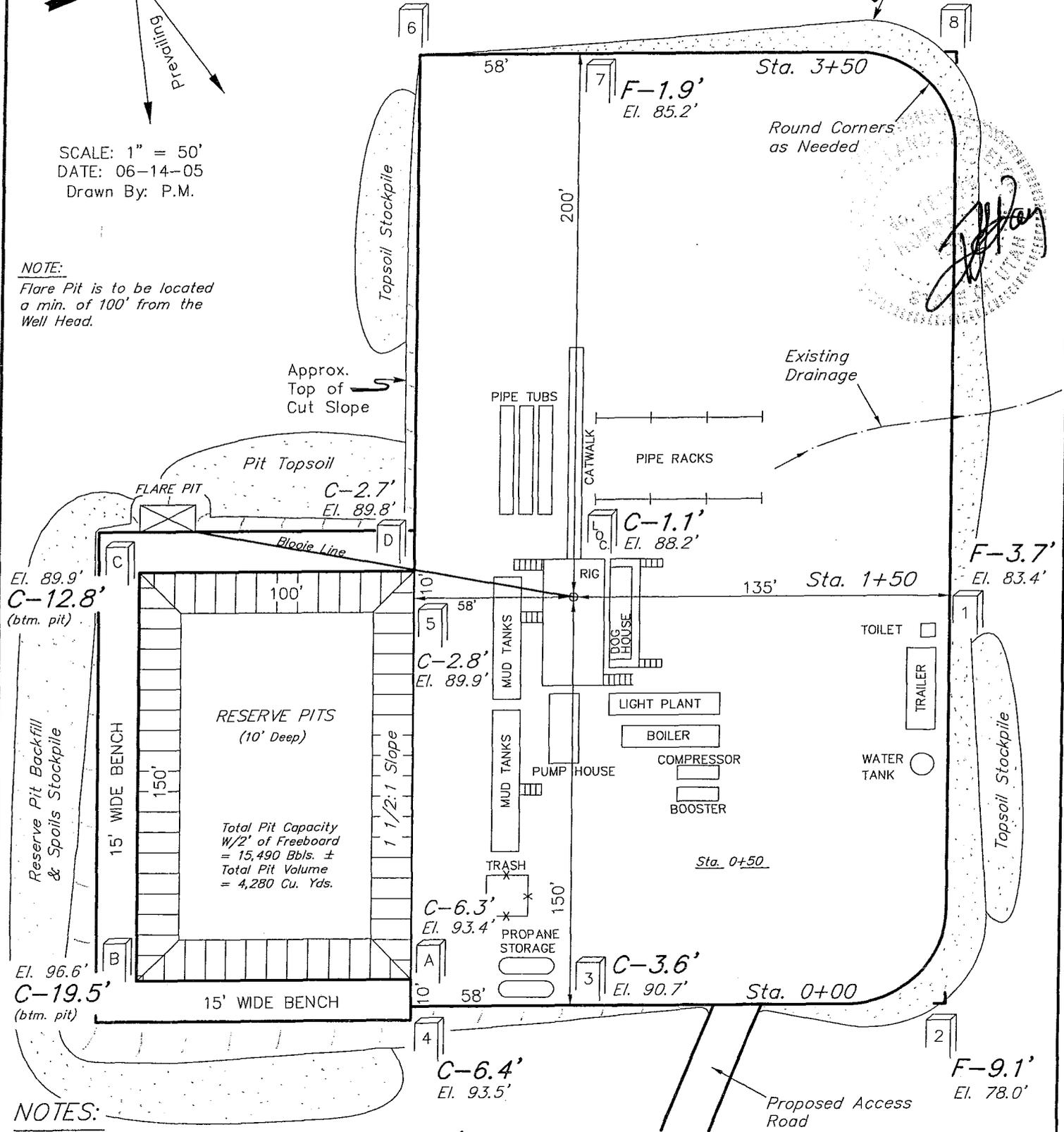
F-7.8' El. 79.3'



SCALE: 1" = 50'  
DATE: 06-14-05  
Drawn By: P.M.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5688.2'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5687.1'

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

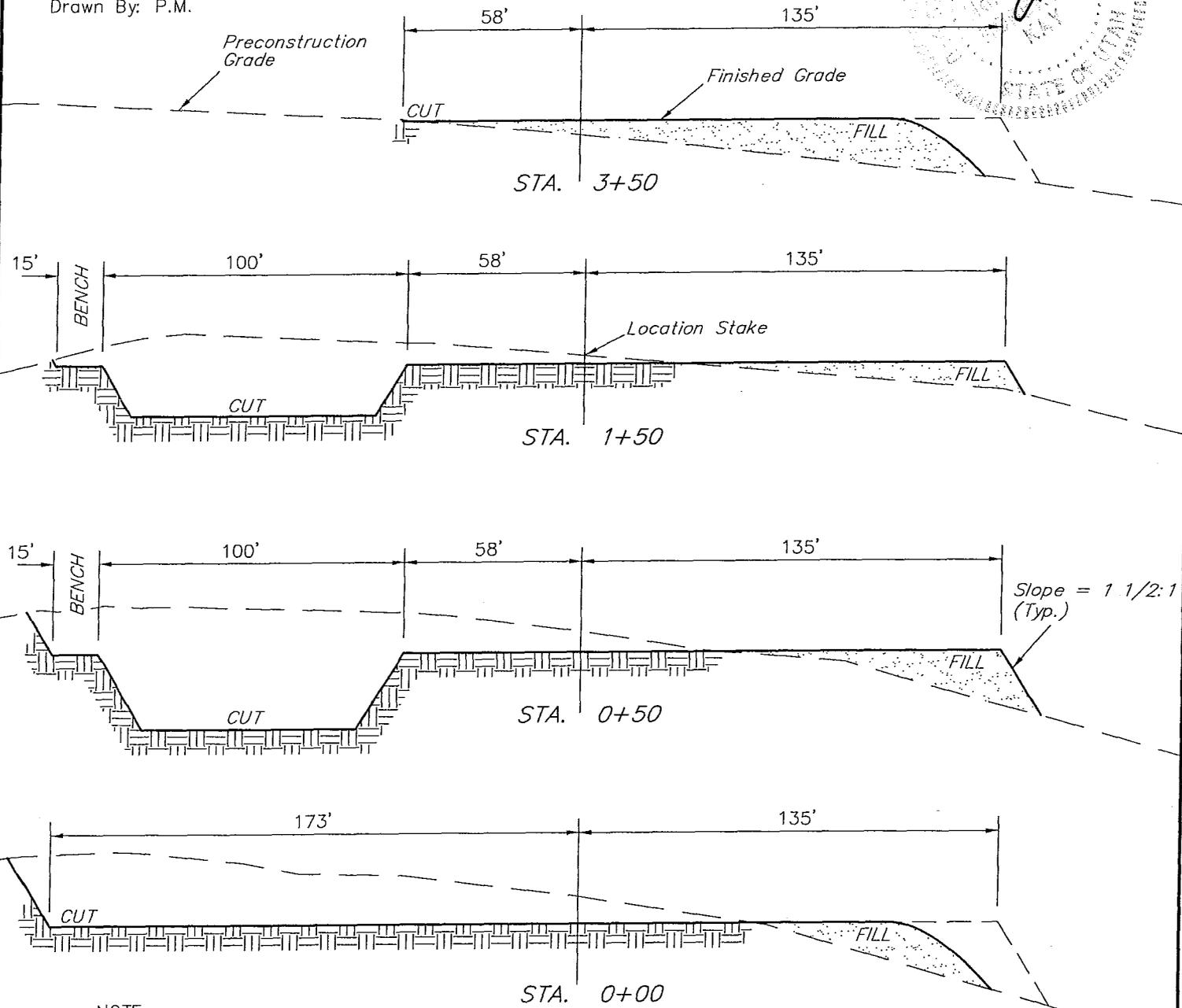
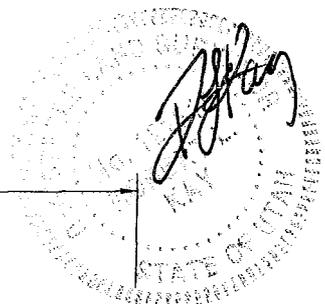
NBU #1022-35N

SECTION 35, T10S, R22E, S.L.B.&M.

703' FSL 1995' FWL

1" = 20'  
X-Section Scale  
1" = 50'

DATE: 06-14-05  
Drawn By: P.M.



NOTE:  
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	1,870 Cu. Yds.
Remaining Location	=	9,790 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>11,660 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>4,580 CU.YDS.</b>

EXCESS MATERIAL	=	7,080 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,010 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	3,070 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/26/2005

API NO. ASSIGNED: 43-047-37179
--------------------------------

WELL NAME: NBU 1022-35N  
 OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
 CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SESW 35 100S 220E  
 SURFACE: 0703 FSL 1995 FWL  
 BOTTOM: 0703 FSL 1995 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-037167  
 SURFACE OWNER: 1 - Federal  
 PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

LATITUDE: 39.90011  
 LONGITUDE: -109.4086

RECEIVED AND/OR REVIEWED:

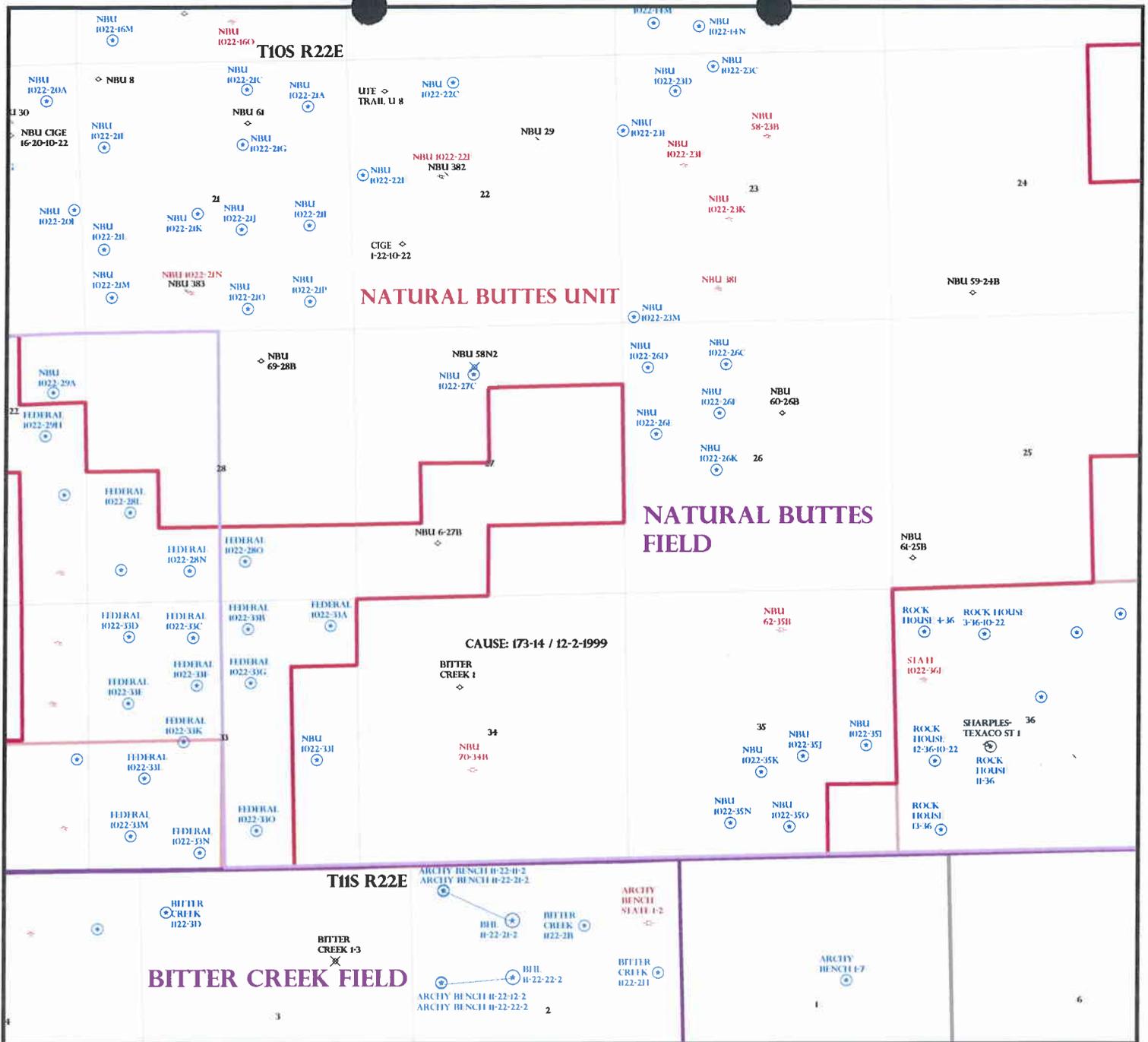
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1203 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit NATURAL BUTTES
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-1999  
Siting: 460' fr u bdrz of uncomm. tract
- R649-3-11. Directional Drill

COMMENTS: Sip, Separate file

STIPULATIONS: 1- Federal Approval  
2- Oil SHALE



**OPERATOR: WESTPORT O&G CO (N2115)**  
**SEC: 27,35 T. 10S R. 22E**  
**FIELD: NATURAL BUTTES (630)**  
**COUNTY: Uintah**  
**CAUSE: 173-14 / 12-2-1999**

Field Status	Unit Status
ABANDONED	EXPLORATORY
ACTIVE	GAS STORAGE
COMBINED	NF PP OIL
INACTIVE	NF SECONDARY
PROPOSED	PENDING
STORAGE	PI OIL
TERMINATED	PP GAS
	PP GEOTHERML
	PP OIL
	SECONDARY
	TERMINATED

**Wells Status**

GAS INJECTION
GAS STORAGE
LOCATION ABANDONED
NEW LOCATION
PLUGGED & ABANDONED
PRODUCING GAS
PRODUCING OIL
SHUT-IN GAS
SHUT-IN OIL
TEMP. ABANDONED
TEST WELL
WATER INJECTION
WATER SUPPLY
WATER DISPOSAL
DRILLING



**PREPARED BY: DIANA WHITNEY**  
**DATE: 27-SEPTEMBER-2005**

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

September 27, 2005

### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Natural Buttes Unit Uintah  
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch-MesaVerde)

43-047-37166	NBU 1022-9J Sec 09 T10S R22E 1941 FSL 1739 FEL	
43-047-37167	NBU 1022-9N Sec 09 T10S R22E 0661 FSL 1983 FWL	
43-047-37168	NBU 1022-10J Sec 10 T10S R22E 2136 FSL 2620 FEL	
43-047-37169	NBU 1022-10L Sec 10 T10S R22E 2273 FSL 0580 FWL	
43-047-37170	NBU 1022-10M Sec 10 T10S R22E 0364 FSL 0358 FWL	
43-047-37171	NBU 1022-21M Sec 21 T10S R22E 0727 FSL 0560 FWL	
43-047-37172	NBU 1022-21L Sec 21 T10S R22E 1675 FSL 0420 FWL	
43-047-37173	NBU 1022-21P Sec 21 T10S R22E 0579 FSL 0852 FEL	
43-047-37174	NBU 1022-210 Sec 21 T10S R22E 0462 FSL 2059 FEL	
43-047-37175	NBU 1022-21J Sec 21 T10S R22E 2018 FSL 2162 FEL	
43-047-37176	NBU 1022-22E Sec 22 T10S R22E 2247 FNL 0228 FWL	
43-047-37177	NBU 1022-22C Sec 22 T10S R22E 0467 FNL 2018 FWL	
43-047-37165	NBU 1022-27C Sec 27 T10S R22E 0922 FNL 2341 FWL	
43-047-37178	NBU 1022-350 Sec 35 T10S R22E 0610 FSL 2139 FEL	
43-047-37179	NBU 1022-35N Sec 35 T10S R22E 0703 FSL 1995 FWL	
43-047-37180	NBU 1022-35J Sec 35 T10S R22E 1971 FSL 1844 FEL	

Page 2

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:9-27-05



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

September 27, 2005

Westport Oil & Gas Company, LP  
1368 South 1200 East  
Vernal, UT 84078

Re: Natural Buttes Unit 1022-35N Well, 703' FSL, 1995' FWL, SE SW,  
Sec. 35, T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37179.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Westport Oil & Gas Company, LP  
Well Name & Number Natural Buttes Unit 1022-35N  
API Number: 43-047-37179  
Lease: UTU-037167

Location: SE SW                      Sec. 35                      T. 10 South                      R. 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. DJJ
2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:		<b>1/6/2006</b>
<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	

WELL NAME	CA No.	Unit:	NATURAL BUTTES UNIT					
	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

*Earlene Russell*  
**Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>RANDY BAYNE</b>	Title <b>DRILLING MANAGER</b>
Signature <i>Randy Bayne</i>	Date <b>May 9, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
 Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>BRAD LANEY</b>	Title <b>ENGINEERING SPECIALIST</b>
Signature	Date <b>May 9, 2006</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**

**SUNDRY NOTICES AND REPORTS ON WELLS**

**AUG 24 2006**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
NATURAL BUTTES UNIT

8. Well Name and No.  
NBU 1022-35N

9. API Well No.  
4304737179

10. Field and Pool, or Exploratory Area  
NATURAL BUTTES

11. County or Parish, State  
UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address  
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)  
435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SESW SEC 35-T10S-R22E  
706' FSL 1995' FWL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>APD EXTENSION</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE BUREAU OF LAND MANAGEMENT ON SEPTEMBER 27, 2005.

CONDITIONS OF APPROVAL ATTACHED

**RECEIVED**  
**SEP 28 2006**

14. I hereby certify that the foregoing is true and correct

DIV. OF OIL, GAS & MINING

Name (Printed/Typed) RAMEY HOOPES	Title REGULATORY CLERK
Signature <i>Ramey Hoopes</i>	Date August 22, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Mark Baker</i>	Title Petroleum Engineer	Date SEP 21 2006
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

# **CONDITIONS OF APPROVAL**

## **Kerr McGee Oil & Gas Onshore.**

### **Notice of Intent APD Extension**

**Lease:** UTU-037167  
**Well:** NBU 1022-35N  
**Location:** SESW Sec 35-T10S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 9/27/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
**UTU-037167**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 1022-35N**

9. API Well No.  
**4304737179**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR MCGEE OIL AND GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**435-781-7003**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SESW SEC 35-T10S-R22E**  
**708' FSL 1995' FWL**  
**3**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>APD EXTENSION</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DOGM</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON SEPTEMBER 27, 2005.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 11-02-000  
By: [Signature]

COPIES SENT TO OPERATOR  
Date: 11-20-06  
Initial: [Signature]

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>RAMEY HOOPES</b>	Title <b>REGULATORY CLERK</b>
Signature <u>Ramey Hoopes</u>	Date <b>October 20, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**  
**NOV 01 2006**  
**DIV. OF OIL, GAS & MINING**

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304737179  
**Well Name:** NBU 1022-35N  
**Location:** SESW SEC 35- T10S-R22E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 9/27/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

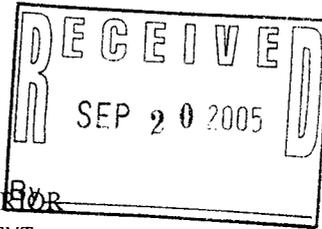
Ramey Hoopes  
Signature

10/20/2006  
Date

**Title:** REGULAROTY CLERK

**Representing:** Kerr McGee Oil and Gas Onshore LP

**RECEIVED**  
**NOV 01 2006**  
**DIV. OF OIL, GAS & MINING**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-037167
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL AND GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES UNIT
3a. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078	3b. Phone No. (include area code) (435) 781-7003	8. Lease Name and Well No. NBU 1022-35N
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW 703' FSL 1995' FWL At proposed prod. Zone		9. API Well No. 431047.37179
14. Distance in miles and direction from nearest town or post office* 25.75 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 703'	16. No. of Acres in lease 1320	11. Sec., T., R., M., or Blk, and Survey or Area SEC 35-T10S-R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8050'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5688.2' GL	22. Approximate date work will start* UPON APPROVAL	13. State UT
17. Spacing Unit dedicated to this well 40		20. BLM/BIA Bond No. on file CO-1203
23. Estimated duration TO BE DETERMINED		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

Signature <i>Ramey Hoopes</i>	Name (Printed/Typed) RAMEY HOOPES	Date 4/17/2006
Title REGULATORY CLERK		
Approved by (Signature) <i>Jerry Kenczka</i>	Name (Printed/Typed) JERRY KENCZKA	Date 1-29-2007
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

NOS 6/30/05  
06BM1027A

**CONDITIONS OF APPROVAL ATTACHED**

**NOTICE OF APPROVAL**

Entered in AFMSS  
Date 12-28-06

RECEIVED  
FEB 07 2007  
DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE  
170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: Kerr-McGee Oil & Gas Onshore, LP Location: SESW, Sec. 35, T10S, R22E  
Well No: NBU 1022-35N Lease No: UTU-037167  
API No: 43-047-37179 Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify NRS/Enviro Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

- If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.

- The following interim seed mixture shall be used:

Type	lbs./acre
Crested Wheat grass <i>Agropyron cristatum</i>	12
** Seed should be drilled; but if broadcasted double the pounds per acre used and work the solids mechanically to cover the seed.	

- All pounds are in pure live seed.
- Reseeding may be required if first seeding is not successful.

- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.

**General Surface COA**

**Operator shall notify any active Gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.**

## **DOWNHOLE CONDITIONS OF APPROVAL**

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- Mud monitoring equipment as outlined in Onshore Order #2 shall be required.

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.
- All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.
- BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).

- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip

logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

- **Please submit an electronic copy of all logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and / or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 8

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
 Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737775	NBU 1022-18P		SESE	18	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	4/7/2007		4/12/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 04/07/2007 AT 0900 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737016	NBU 920-26K		NESW	26	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	4/9/2007		4/12/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 04/09/2007 AT 1000 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737179	NBU 1022-35N		SESW	35	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	4/8/2007		4/12/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 04/08/2007 AT 1100 HRS							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print) \_\_\_\_\_  
 Signature \_\_\_\_\_  
 SENIOR LAND SPECIALIST 4/10/2007  
 Title Date

To: EARLENE Russell From: SHEILA Upchego  
 (5/2000) Co./Dept. UTDOGIM Co. KMG  
 Phone # (801) 538-5336 Phone # (435) 781-7024  
 Fax # (801) 359-3940 Fax # (435) 781-7094

RECEIVED  
APR 10 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SW SEC. 35, T10S, R22E 703'FSL, 19<sup>9</sup>55'FWL

5. Lease Serial No.

UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-35N

9. API Well No.

4304737179

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>WELL SPUD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 04/08/2007 AT 1100 HRS.

RECEIVED

APR 16 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

April 10, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

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5. Lease Serial No.

UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

**NBU 1022-35N**

9. API Well No.

4304737179

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SW SEC. 35, T10S, R22E 703'FSL, 1955'FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU BILL MARTIN AIR RIG ON 04/11/2007. DRILLED 12 1/4" SURFACE HOLE TO 1840'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/150 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 15 +/- BBL LEAD CMT TO PIT. RAN 200' OF 1" PIPE, CMT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE AND HOLE STAYED FULL.

WORT.

**RECEIVED**  
**APR 23 2007**

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

April 16, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
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5. Lease Serial No.  
**UTU-037167**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES**

8. Well Name and No.  
**NBU 1022-35N**

9. API Well No.  
**4304737179**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UT**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR MCGEE OIL AND GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**435-781-7003**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SESW, SEC 35-T10S-R22E  
703' FSL 1955' FWL SLB & M**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <b>FINAL DRILLING OPERATIONS</b>

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

**FINISHED DRILLING TO 8125'. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/350 SX PREM LITE II @ 11.4 PPG 2.91 YIELD TAILED CMT W/1335 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. FLOATS HELD. SET SLIPS W/95K NIPPLE DOWN. MAKE ROUGH CUT. CLEAN PITS.**

RELEASED RIG ON 5/11/07 AT 12:30 AM.

**RECEIVED  
MAY 29 2007**

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>RAMEY HOOPES</b>	Title <b>LAND SPECIALIST I</b>
Signature <i>Ramey Hoopes</i>	Date <b>May 16, 2007</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
	Office	

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Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

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UTU-037167

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7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

**NBU 1022-35N**

9. API Well No.

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UINTAH COUNTY, UTAH

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2. Name of Operator

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(435) 781-7024

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SE/SW SEC. 35, T10S, R22E 703'FSL, 1955'FWL

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other PRODUCTION START-UP

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 06/22/2007 AT 11:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

**RECEIVED**  
**JUL 02 2007**

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA DPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

June 27, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

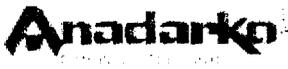
Title

Date

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Anadarko Petroleum Corporation  
1368 S. 1200 East  
Vernal, UT 84078

## CHRONOLOGICAL WELL HISTORY

### NBU 1022-35N

SESW, SEC. 35, T10S, R22E  
UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
03/14/07	LOCATION STARTED PIONEER 38	
04/02/07	LOCATION COMPLETE PIONEER 38	WOBR
04/08/07	SET CONDUCTOR PIONEER 38	WOAR
04/11/07	SET AIR RIG, 9 5/8" @1819' PIONEER 38	WORT
05/01/07	TD: 1840' Csg. 9 5/8" @ 1819' MW: 8.4 SD: 5/XX/07 DSS: 0 RDRT and move to NBU 1022-35N. RURT. NU and test BOPE @ report time.	
05/02/07	TD: 2222' Csg. 9 5/8" @ 1819' MW: 8.4 SD: 5/1/07 DSS: 1 NU and test BOPE. PU drill string and drill FE. Rotary spud @ 2200 hrs 5/1/07. Drill formation from 1840'-2222'. DA @ report time.	
05/03/07	TD: 3278' Csg. 9 5/8" @ 1819' MW: 9.5 SD: 5/1/07 DSS: 2 Drill from 2222'-3278'. DA.	
05/04/07	TD: 4786' Csg. 9 5/8" @ 1819' MW: 10.1 SD: 5/1/07 DSS: 3 Drill from 3278'-4786'. DA.	
05/07/07	TD: 7420' Csg. 9 5/8" @ 1819' MW: 10.1 SD: 5/1/07 DSS: 6 Drill from 4786'-7420'. DA.	
05/08/07	TD: 7748' Csg. 9 5/8" @ 1819' MW: 10.9 SD: 5/1/07 DSS: 7 Drill from 7420'-7748'. TFNB. Drill to 7748'. DA @ report time.	
05/09/07	TD: 8125' Csg. 9 5/8" @ 1819' MW: 11.7 SD: 5/1/07 DSS: 8 Drill from 7748'-8125' (TD). CCH and short trip. CCH and POOH for logs @ report time.	
05/10/07	TD: 8125' Csg. 9 5/8" @ 1819' MW: 11.7 SD: 5/1/07 DSS: 9 POOH for logs. Run Triple Combo. TIH and CCH for casing. Lay down drill string @ report time.	

05/11/07

TD: 8125' Csg. 9 5/8" @ 1819' MW: 11.7 SD: 5/1/07 DSS: 10  
Finish LDDP. Run and cmt 4.5" prod csg. Set slips, ND, cut csg, and clean pits. Release rig @  
0030 hrs on 5/11/07. RDRT for move to NBU 1022-35J.

06/15/07

**MIRU**

Days On Completion: 1  
Remarks: ROAD RIG F/ NBU 1022-35O TO LOC. SPOT EQUIP. RU RIG. SDFWE.

06/18/07

**PU PROD TBG**

Days On Completion: 1  
Remarks: 7:00 AM. HSM. 5,000 BBLS GOAT PASTURE WATER & 4,000 BBLS OF PIT WATER  
RU RIG & SPOT RIG EQUIPMENT. ND WELL HEAD NU BOP'S. PU 3 7/8" MILL &  
SUB. DRIFT & TALLEY 260 JTS OF 2 3/8" J-55 4.7# TBG. TAG PBTB @ 8,074'. POOH LD 20  
JTS OF 2 3/8" & STAND BACK 120 STANDS. SDFN.

06/19/07

**LOG AND PERFORATE**

Days On Completion: 2  
Remarks: 7:00 AM. HSM MIRU CUTTERS TO LOG & PERFORATE. RIH W/ CEMENT BOND  
LOG TOOLS. TOOL WAS NOT WORKING. HAD TO CALIBRATE LOGGING TOOL THIS  
TOOK 1 1/2 HRS. TAG PBTB @ 8,031'. DURING LOGGING THE PRINTER RAN OUT OF  
PAPER. PRINTER WAS SHUT OFF TO LOAD PAPER. AFTER LOGGING JOB WAS  
TRANSFERD TO A DISK TO BE PRINTED. GOOD CEMENT BOND. CEMENT TOP @ 100'  
MIRU B&C QUICK TEST TO TEST CASING & FRAC VALVES. PRESSURE TEST CASING &  
BOTH FRAC VALVES TO 7,500 PSI GOOD TEST. RDMO B&C QUICK TEST. WHEN THEY  
USED THE DISK TO PRINT THE LOG THERE WAS NO DATA THAT COULD BE PRINTED. PU  
LOGGING TOOLS TO RERUN BOND LOG. THE BOND LOOKED POOR BECAUSE WE HAD  
PRESSURE TESTED THE CASING. RUN LOG WITH 1,000 PSI BOND WAS OK. RIH W/ 3 3/8"  
EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING PERFORATE 7,909' - 16' 4 SPF, 7,767' -  
70' 4 SPF, 40 HOLES POOH W/ WIRE LINE. RDMO CUTTERS. SWI SDFN.

06/20/07

**FRAC**

Days On Completion: 3  
Remarks: 6:30 AM. HSM. MIRU HALLIBURTON & CUTTERS TO FRAC & PERFORATE  
BLEED DOWN & PRESSURE TEST PUMPS & LINES TO 8,000 PSI GOOD TEST.

STG 1) WHP 0 PSI, BRK 3,139 PSI @ 5.0 BPM, ISIP 2,331 PSI, FG .74 PMP 100 BBLS @ 50.6  
BPM @ 4,500 PSI = 34 OF 40 HOLES OPEN. MP 5,804 PSI, MR 56.7 BPM, AP 4,500 PSI, AR  
50.8 BPM. ISIP 2,155 PSI FG .72, NPI - 176 PSI, PMP 754 BBLS SLK WATER & 21,000 LBS  
OF 30/50 SAND TAILED IN W/ 20,000 LBS OF SAND WEDGE. TOTAL PROP 21,000 LBS.

STG 2 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING SET 8K  
BAKER CBP @ 7,680' & PERF 7,659' - 61' 4 SPF, 7,611' - 14' 4 SPF, 7,592' - 94' 3 SPF, 7,526'  
- 30' 4 SPF, 7,396' - 97' 4 SPF, 46 HOLES. WHP 0 PSI, BRK 3,326 PSI @ 5.0 BPM, ISIP 2,179  
PSI, FG .73 PMP 100 BBLS @ 50.0 BPM @ 3,700 PSI = 38 OF 46 HOLES OPEN. MP 4,648 PSI,  
MR 56.4 BPM, AP 3,851 PSI, AR 53.6 BPM. ISIP 2,192 PSI FG .72, NPI 13 PSI, PMP  
2,353 BBLS SLK WATER & 91,660 LBS OF 30/50 SAND TAILED IN W/ 20,000 LBS OF SAND  
WEDGE. TOTAL PROP 91,660 LBS.

STG 3 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING SET 8K  
BAKER CBP @ 6,920' & PERF 6,892' - 93' 4 SPF, 6,843' - 47' 4 SPF, 6,750' - 52' 3 SPF, 6,688'  
- 90' 3 SPF, 6,595' - 98' 3 SPF, 41 HOLES. WHP 1,116 PSI, BRK 3,120 PSI @ 5.0 BPM, ISIP  
1,839 PSI, FG .72 PMP 100 BBLS @ 54.1 BPM @ 4050 PSI = 35 OF 41 HOLES OPEN. MP  
4,468 PSI, MR 54.5 BPM, AP 3,776 PSI, AR 54.2 BPM. ISIP 2,458 PSI FG .81, NPI 619 PSI,  
PMP 1,989 BBLS SLK WATER & 76,500 LBS OF 30/50 SAND TAILED IN W/ 20,000 LBS OF  
SAND WEDGE. TOTAL PROP 76,500 LBS.

STG 4 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6,449' & PERF 6,415' - 19' 4 SPF, 6,334' - 40' 4 SPF, 40 HOLES WHP 100 PSI, BRK 3,430 PSI @ 4.4 BPM, ISIP 1,764 PSI, FG .72 PMP 100 BBLS @ 55.7 BPM @ 3,850 PSI = 37 OF 40 HOLES OPEN. MP 3,795 PSI, MR 56.1 BPM, AP 3,605 PSI, AR 54.4 BPM. ISIP 2,212 PSI FG .79, NPI 448 PSI, PMP 828 BBLS SLK WATER & 28,300 LBS OF 30/50 SAND TAILED IN W/ 20,000 LBS OF SAND WEDGE. TOTAL PROP 28,300 LBS.

STG 5 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6,180' & PERF 6,137' - 41' 4 SPF, 6,014' - 20' 4 SPF, 40 HOLES WHP 100 PSI, BRK 3,449 PSI @ 4.7 BPM, ISIP 1,552 PSI, FG .70 PMP 100 BBLS @ 53.1 BPM @ 3,620 PSI = 40 OF 40 HOLES OPEN. MP 3,966 PSI, MR 61.4 BPM, AP 3,747 PSI, AR 56.4 BPM. ISIP 2,566 PSI FG .87, NPI 1,014 PSI, PMP 1,005 BBLS SLK WATER & 37,000 LBS OF 30/50 SAND TAILED IN W/ 20,000 LBS OF SAND WEDGE. TOTAL PROP 37,000 LBS. KILL PLG) RIH SET 8K BAKER CBP @ 5,946' RDMO CUTTERS & HALLIBURTON. ND FRAC VALVES & NU BOP'S. KILL PLUG LEAKING. PU 3 7/8" BIT FAST EDDIE POBS & SN. RIH W/ 72 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 2,244'. SWI SDFN

06/21/07

**DRLG CBP**

Days On Completion: 4

Remarks: 7:00 AM. HSM. CASING PRESSURE 600 PSI KILL PLG LEAKING. BLEED OFF PRESSURE. VERY LITTLEFLOW BUT FLOWING. CONT RUNNING IN HOLE W/ 119 JTS. RU POWER SWIVEL & BRK CIRCULATION. RIH.

C/O 5' OF SAND TAG PLG 1 @ 5,946' DRL PLG IN 10 MIN 400 PSI INCREASE RIH  
 C/O 20' OF SAND TAG PLG 2 @ 6,180' DRL PLG IN 10 MIN 100 PSI INCREASE RIH  
 C/O 20' OF SAND TAG PLG 3 @ 6,449' DRL PLG IN 10 MIN 100 PSI INCREASE RIH  
 C/O 20' OF SAND TAG PLG 4 @ 6,920' DRL PLG IN 10 MIN 100 PSI INCREASE RIH  
 C/O 20' OF SAND TAG PLG 5 @ 7,680' DRL PLG IN 10 MIN 500 PSI INCREASE RIH  
 C/O TO 8,074' CIRCULATE WELL CLEAN. RD PWR SWVL. POOH LD 22 JTS. ND BOP'S LAND TBG W/ 228 JTS OF NEW 2 3/8" J-55 4.7# TBG. EOT @ 7,106.57'. NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 1,300 PSI. CHECK FLOW BACK TO MAKE SURE BIT IS OFF. SHUT WELL IN FOR 30 MINUTES TO LET BIT FALL TO BOTTOM. TURN WELL OVER TO FLOW TESTERS.

273 JTS OUTBOUND	6,929 BBLS TLTR	7,087.54' TBG
228 JTS LANDED	1,000 BBLS RIG REC	16.00' KB
45 JTS RETURNED	5,929 BBLS LTR	.83' HANGER
		2.20' POBS & SN
		7,106.57' EOT

**FLOWBACK REPORT:** CP 1175#, TP 950#, CK 20/64", 55 BWPH, LOAD REC'D 1155 BBLS, LLTR 4524 BBLS

06/22/07

**MOVE RIG**

Days On Completion: 5

Remarks: 7:00 AM. HSM RIG DOWN RIG & RIG EQUIPMENT. ROAD RIG FROM NBU 1022-35N TO NBU 1022-35J. RIR UP RIG SPOT IN RIG EQUIPMENT. ND WELL HEAD NU BOP'S. WORK ON RIG. SWI SDFN

**FLOWBACK REPORT:** CP 1400#, TP 1000#, CK 20/64", 45 BWPH, LOAD REC'D 2340 BBLS, LLTR 3339 BBLS

**WELL WENT ON SALES:** @ 11:00 AM, 300 MCF, 950 TBG, 1200 CSG, 20/64 CK, 55 BBWH  
**ON SALES:** 165 MCF, 0 BC, 1080 BW, TP: 1000#, CP: 1400#, 20/64 CHK, 24 HRS, LP: 20#.

06/23/07

**FLOWBACK REPORT:** CP 1600#, TP 1000#, CK 20/64", 25 BWPH, LOAD REC'D 3175 BBLS, LLTR 2504 BBLS

**ON SALES:** 367 MCF, 0 BC, 600 BW, TP: 1000#, CP: 1600#, 20/64 CHK, 24 HRS, LP: 71#.

**06/24/07**      **FLOWBACK REPORT:** CP 2300#, TP 1350#, CK 20/64", 17 BWPH, LOAD REC'D 3634 BBLS,  
LLTR 2045 BBLS  
**ON SALES:** 498 MCF, 0 BC, 408 BW, TP: 1350#, CP: 2300#, 20/64 CHK, 24 HRS, LP: 65#.

**06/25/07**      **ON SALES:** 886 MCF, 0 BC, 408 BW, TP: 1405#, CP: 2264#, 16/64 CHK, 24 HRS, LP: 86#.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

1a. Type of Well  Oil Well  Gas  Dry Other  
b. Type of Completion:  New  Work Over  Deepen  Plug Back  Diff. Resvr.  
Other \_\_\_\_\_

5. Lease Serial No.  
UTU-037167

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.  
UNIT #891008900A NBU UNIT

2. Name of Operator  
KERR MCGEE OIL & GAS ONSHORE LP

8. Lease Name and Well No.  
NBU 1022-35N

3. Address  
1368 SOUTH 1200 EAST VERNAL, UTAH 84078

3a. Phone No. (include area code)  
(435)-781-7024

9. API Well No.  
4304737179

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*  
At surface SE/SW 703'FSL, 1955'FWL

10. Field and Pool, or Exploratory  
NATURAL BUTTES

At top prod. interval reported below

11. Sec., T., R., M., or Block and Survey or Area SEC. 35, T10S, R22E

12. County or Parish UTAH 13. State UTAH

14. Date Spudded 04/08/07  
15. Date T.D. Reached 05/09/07  
16. Date Completed  D & A  Ready to Prod. 06/22/07

17. Elevations (DF, RKB, RT, GL)\*  
5688'GL

18. Total Depth: MD 8125' TVD  
19. Plug Back T.D.: MD 8074' TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
✓ CBL-CCL-GR, HAI/SO/DSM

22. Was well cored?  No  Yes (Submit copy)  
Was DST run?  No  Yes (Submit copy)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3#		1840'		575 SX			
7 7/8"	4 1/2"	11.6#		8125'		1665 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	7107'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
WASATCH/MESAVERDE	6014'	6141'	6014'-6141'	0.36	40	OPEN
B) MESAVERDE	6334'	7916'	6334'-7916'	0.36	167	OPEN
C)						
D)						

26. Perforation Record

Depth Interval	Amount and type of Material
6014'-6141'	PMP 1005 BBLs SLICK H2O & 37,000# 30/50 OTTOWA SD
6334'-7916'	PMP 5924 BBLs SLICK H2O & 217,460# 30/50 OTTOWA SD

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JUL 20 2007

DIV. OF OIL, GAS & MINING

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
06/22/07	07/08/07	24	→	0	2,046	301			FLOWS FROM WELL

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
06/22/07	07/08/07	24	→	0	2046	301			FLOWS FROM WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
06/22/07	07/08/07	24	→	0	2046	301			FLOWS FROM WELL

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

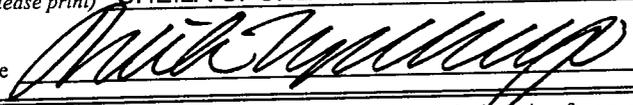
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	3917' 6132'	6132'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 5. Core Analysis
- 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST  
 Signature  Date 7/17/2007

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
**UTU-037167**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A**

8. Well Name and No.  
**NBU 1022-35N**

9. API Well No.  
**4304737179**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**703' FSL, 1985' FWL  
SE/SW, SEC.35, T10S-R22E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 9/28/2008 AT 1000 HRS.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

**RECEIVED**

**DEC 08 2008**

**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature <i>Sheila Upchego</i>	Date <b>November 26, 2008</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
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Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

EVENT INFORMATION: EVENT ACTIVITY: RECOMPLETION START DATE: 9/22/2008 AFE NO.: 2023805  
 OBJECTIVE: DEVELOPMENT END DATE: 9/25/2008  
 OBJECTIVE 2: RECOMPLETE DATE WELL STARTED PROD.: 5/1/2007  
 REASON: WAS SW Event End Status: COMPLETE

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location  
 KEY 59 / 59 09/22/2008 09/25/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
9/19/2008	SUPERVISOR: WILL GLEAVE 7:00 - 15:00		8.00	COMP	30	A P	HSM. MIRU FROM NBU 1022-35N. WAS TO SPOT IN PUMP & TANK. SDFWE
9/22/2008	SUPERVISOR: WILL GLEAVE 7:00 - 17:00		10.00	COMP	31	I P	HSM. KILL WELL W/ 2% KCL. ND WH. NU BOP'S. TOOH W/ 228 JTS 2-3/8 J-55 TBG. PU 3-7/8 MILL & SUB. TIH W/ MILL TO 5700'. TOOH. ND BOP'S. NU FRAC VALVE.  NOTE: ROLLED 8 FRAC TANKS W/ WATER TRUCK FROM RNI. TESTED EACH TANK FOR H2S. NONE WAS DETECTED
9/23/2008	SUPERVISOR: WILL GLEAVE 7:00 - 10:30		3.50	COMP	34	I P	HSM. MIRU CASED HOLE SOLUTIONS. P.U. BAKER 4-1/2 8K CBP. RIH, SET DOWN @ 388'. POOH. PU 3.70" GAUGE RING. RIH, FIND TIGHT SPOT @ 388'. WORK GAUGE RING THROUGH TIGHT SPOT. RIH TO 5700'. POOH. PU 4-1/2 CBP. RIH, SET CBP @ 5644'. POOH.
	10:30 - 11:30		1.00	COMP	33	C P	MIRU B&C QUICK TEST. PRESSURE TEST CASING & FRAC VALVES TO 6000#. ( HELD ). RDMO B&C
	11:30 - 14:00		2.50	COMP	34	H P	PU 3-3/8 PERF GUNS. RIH, SHOOT 12 HOLES FROM 5611-14'. PU, SHOOT 8 HOLES FROM 5586-88'. PU, SHOOT 8 HOLES FROM 5565-57'. PU, SHOOT 8 HOLES FROM 5516-18'. PU, SHOOT 8 HOLES FROM 5489-91'. POOH. PREP FOR FRAC. SWI-SDFN.
9/24/2008	SUPERVISOR: WILL GLEAVE 7:00 - 17:00		10.00	COMP	36	E P	HSM. MIRU SCHLUMBERGER FRAC. NOTE: ALL STAGES SHOT W/ 3-3/8 EXP PERF GUNS LOADED W/ 23 GM CHARGES, 3 & 4 SPF, 90 & 120 DEG PHASING. ALL CBP'S ARE BAKER 8K 4-1/2 CBP'S. ALL STAGES TREATED W/ NALCO DVE-005 SCALE INHIB, 3GPT IN PAD & 1/2 RAMP, 10 GPT IN PRE-PAD & FLUSH. ALL CLEAN FLUID TREATED W/ NALCO BIOCID 1/2 GPT. ALL STAGES TREATED W/ 30/50 OTTOWA SAND, TAILED IN W/ 5000# TLC SAND FOR SAND CONTROLL.  STAGE 1: BREAK DOWN PERFS @ 3808# ISIP 1650#. FG 73. EST INJ RATE OF 51 BBL/MIN @ 3950#. TREATED STAGE 1 W/ 49,365 #. TAILED IN W/ 5000# TLC W/ SLK WTR. 1420 BBLS TOTAL CLEAN FLUID. ISIP 1860#. FG 77. NPI 210#  STAGE 2: PU 3-3/8 PERF GUNS & 4-1/2 CBP. RIH, SET CBP @ 4794'. PU, SHOOT 42 HOLES FROM 4750-64'. POOH. BREAK DOWN PERFS @ 3750#. ISIP 660#. FG .57. EST INJ RATE OF 41.4 BBL/MIN @ 2820#. TREATED STAGE 2 W/ 70,293# SAND. TAILED IN W/ 5000# TLC SAND W/ SLK WTR. 1741 BBLS TOTAL CLEAN FLUID. ISIP 1900#. FG .83. NPI 1240#. PU 4-1/2 CBP & RIH. SET CBP @ 4680'. POOH. RDMO SCHLUMBERGER FRAC. RDMO CASED HOLE SOLUTIONS. ND FRAC VALVE, NU BOP'S PU 3-7/8 BIT & POBS PKG & TIH W/ 2-3/8 J-55 TBG TO KILL PLUG @ 4680'. RU SWIVEL, PUMP & LINES. SWI-SDFN
9/25/2008	SUPERVISOR: WILL GLEAVE						

7:00 - 18:00	11.00	COMP	44	C	P	<p>HSM. MIRU FOAM TECH. BREAK CONV CIRC W/ RIG PUMP. D.O. 1ST CBP @ 4680'. 0 PSI INC. TIH, TAG FILL @ 4764' (30' FILL). C.O. FILL TO CBP @ 4794'. D.O. 2ND CBP. 500# INC. TIH, TAG FILL @ 5614' (30' FILL). BREAK CONV CIRC W/ FOAM UNIT. C.O. FILL TO CBP @ 5644'. D.O. 3RD CBP. LOST CIRC. WAIT TO GET CIRC BACK. TIH, TAG FILL @ 7916' (164' FILL). C.O. FILL TO 8068'. CIRC WELL CLEAN. L.D. 22 JTS ON TRAILER. ND BOP'S. DROP BALL, NU WH. PUMP BIT OFF @ 1200#</p> <p>TURN OVER TO FLOW BACK.</p> <p>RD-SDFN</p> <p>SICP 1200# TBG PSI. 100# 30/64 CHOKE</p> <p>263 JTS ON LOC 236 JTS IN WELL 27 JTS ON TRAILER</p> <p>EOT @ 7359'</p>	
9/26/2008	<u>SUPERVISOR:</u> WILL GLEAVE			<u>DWC:</u>		<u>CWC:</u>	<u>MD:</u>
7:00 -			33	A		7 AM FLBK REPORT: CP 1050#, TP 800#, 28/64" CK, 10 BWPH, TRACE SAND, - GAS PUMPER: - TTL BBLs RECOVERED: 150 BBLs LEFT TO RECOVER: 3290	
9/27/2008	<u>SUPERVISOR:</u> WILL GLEAVE			<u>DWC:</u>		<u>CWC:</u>	<u>MD:</u>
7:00 -			33	A		7 AM FLBK REPORT: CP 1100#, TP 800#, 28/64" CK, 9 BWPH, TRACE SAND, 2432 GAS PUMPER: RYAN WATKINS TTL BBLs RECOVERED: 1068 BBLs LEFT TO RECOVER: 2372	
9/28/2008	<u>SUPERVISOR:</u> WILL GLEAVE			<u>DWC:</u>		<u>CWC:</u>	<u>MD:</u>
7:00 -			33	A		7 AM FLBK REPORT: CP 1025#, TP 625#, 28/64" CK, 2 BWPH, CLEAN SAND, 2113 GAS PUMPER: RYAN WATKINS TTL BBLs RECOVERED: 1136 BBLs LEFT TO RECOVER: 2304	
9:00 -		PROD				WELL TURNED TO SALES ON 9/28/2008 - FTP 435#, CP 428#, CK 20/64", 2082 MCFD, 130 BWPD	
9/29/2008	<u>SUPERVISOR:</u> WILL GLEAVE			<u>DWC:</u>		<u>CWC:</u>	<u>MD:</u>
7:00 -			33	A	P	7 AM FLBK REPORT: CP 975#, TP 600#, 28/64" CK, 1 BWPH, CLEAN SAND, 1995 GAS PUMPER: RYAN WATKINS TTL BBLs RECOVERED: 1162 BBLs LEFT TO RECOVER: 2278	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-037167
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 1022-35N
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047371790000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0703 FSL 1995 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 35 Township: 10.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 9/10/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="WORKOVER"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

PLEASE SEE THE ATTACHED CHRONOLOGICAL WELL HISTORY FOR DETAILS ON THE RECENT WORKOVER OPERATIONS/WELLBORE CLEANOUT ON THIS WELL.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 September 20, 2010

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 9/20/2010

**US ROCKIES REGION**  
**Operation Summary Report**

Well: NBU 1022-35N

Spud Date: 5/1/2007

Project: UTAH-UINTAH

Site: NBU 1022-35N

Rig Name No: GWS 1/1

Event: WELL WORK EXPENSE

Start Date: 9/8/2010

End Date: 9/10/2010

Active Datum: RKB @5,703.99ft (above Mean Sea Level)

UWI: NBU 1022-35N

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
9/8/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SCANNING TBG.
	7:15 - 17:30	10.25	MAINT	31	I	P		ROAD FROM NBU 1022-15 PS, MIRU, BLEW & KILLED WELL W/ 10 BBLS DOWN TBG & CSG, ND WH, UNLAND TBG @ 7,359', TBG FREE, NU BOP, RU FLOOR & TBG EQUIP, PU TBG OFF TRAILER RIH TAG FILL @ 7,830', RU SCAN TECH POOH SCANNING TBG W/ SCAN TECH, STARTED SEEING HEAVY SCALE ON TBG @ 53 STDS OUT 3,300' TO 75 STDS OUT @ 4,700' SCRAPE THE SCALE OFF & THE TBG LOOKS GOOD NO PITTING, LAST 40 JTS ISOLATED PITTING, 210 JTS GOOD 26 JTS BAD TUBES & COLLARS, RDMO SCAN TECH, PU 3 7/8" MILL & RIH TO 5,600' FOR CLEAN OUT IN AM, SWI SDFN.
9/9/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, N2 UNIT & NOISE.
	7:15 - 15:00	7.75	MAINT	44	D	P		SICP 600 PSI, MIRU CUDD N2 UNIT, BREAK CIRC W/ N2 UNIT @ 5,600', RIH TO 7,811', RU POWER SWIVEL, BREAK CIRC W/ N2 UNIT, DRLG SCALE & SAND FROM 7,830' TO 8,065' W/ 258 JTS 2 3/8" J-55 TBG, CIRC HOLE CLEAN W/ N2 UNIT RDMO N2 UNIT, LD 35 JTS TBG ON TRAILER TO 6,956', SWI SDFN.
9/10/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM,
	7:15 - 12:00	4.75	MAINT	31	I	P		SICP 600 PSI, BLOW & KILL TBG W/ 15 BBLS, POOH W/ MILL, PU NOTCH COLLAR TIH, LND TBG @ 6,956.27' W/ 223 JTS 2 3/8" J-55 TBG. RD FLOOR, ND BOP, NU WH, SWI CALLED CDC, RDMO TO NBU 1022-14L.  KB = 16' HANGER = .83 223 JTS J-55 = 6,938.39' NC = 1.05 EOT @ 6,956.27'  TWTR = 200 BBLS TWR = 100 BBLS TWLTR = 100 BBLS